

KENTUCKY STATE PROPERTY AND BUILDINGS COMMISSION
MINUTES
FEBRUARY 8, 2022
11:00 AM

The Kentucky State Property and Buildings Commission (“SPBC” or the “Commission”) meeting was called to order on Tuesday, February 8, 2022, at 11:02 AM ET via ZOOM video teleconference by J. Michael Brown, Secretary of the Governor’s Executive Cabinet, permanent proxy for Governor Andy Beshear, and Chair of the Commission. Other members present were Michael Bowman, permanent proxy for Lieutenant Governor and Vice-Chair to the Commission Jacqueline Coleman; Chris Lewis, permanent proxy for Attorney General Daniel Cameron; Edgar C. Ross, State Controller and Executive Director, Office of the Controller; John T. Hicks, State Budget Director, Office of the State Budget Director (“OSBD”); and Katie Smith, proxy for Larry Hayes, Interim Secretary for the Cabinet for Economic Development (“CED”).

The Office of Financial Management (“OFM”) Staff Members Present: Ryan Barrow, Executive Director of OFM and Secretary to the Commission; Steven Starkweather, Deputy Director of OFM; Billy Aldridge, Bethany Couch, Matthew Feltner and Aubry McDonald.

Secretary Brown verified with staff a quorum was present, and the press had been notified of the meeting.

Secretary Brown introduced the first item for business, which was the approval of the minutes from the December 9, 2021 meeting. A motion to accept the minutes of the December 9, 2021 meeting was made by Director Hicks and seconded by Ms. Smith. There being no further discussion, the motion **CARRIED**.

Secretary Brown recognized Bethany Couch to present **Resolution 2022-01**:

RESOLUTION OF THE STATE PROPERTY AND BUILDINGS COMMISSION OF THE COMMONWEALTH OF KENTUCKY AUTHORIZING THE ISSUANCE OF REVENUE BONDS FOR THE PURPOSE OF FINANCING CERTAIN PROJECTS AND REFUNDING CERTAIN PRIOR BONDS; SETTING FORTH THE TERMS AND CONDITIONS UPON WHICH SAID REVENUE BONDS ARE TO BE ISSUED AND PROVIDING FOR A NEGOTIATED SALE THEREOF; AUTHORIZING AND RATIFYING ACTIONS OF THE COMMISSION STAFF IN THE STRUCTURING, PLANNING AND PREPARATION OF ALL DOCUMENTATION FOR THE ISSUANCE OF SAID BONDS AND IN PREPARING AND PUBLISHING A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT FOR THE BONDS; RECITING, ACKNOWLEDGING AND APPROVING THE FILING OF AN APPLICATION BY THE FINANCE AND ADMINISTRATION CABINET OF THE COMMONWEALTH OF KENTUCKY FOR REVENUE REFUNDING BONDS TO REFUND PRIOR BONDS PURSUANT TO SECTION 56.450 OF THE KENTUCKY REVISED STATUTES; APPROVING A LEASE OF THE PROJECT TO THE CABINET TO PROVIDE REVENUES FOR THE AMORTIZATION OF THE BONDS; DEFINING

AND PROVIDING FOR THE RIGHTS OF THE OWNERS OF THE BONDS AND PROVIDING FOR THE APPLICATION OF THE PROCEEDS THEREOF.

Ms. Couch directed the Committees attention to Attachment B of the PDF, Resolution 2022-01 for the approval to issue State Property and Buildings Commission Revenue Bonds, Project No. 126 in a principal amount not to exceed \$150 million. She stated the Bond Resolution allows for three series of bonds with the intent of only issuing Series A which will provide permanent financing for \$100 million of General Fund supported capital projects which were approved via various House Bills and Sessions as referenced in the New Bond Issue Report. Series B and Series C are both advance refunding series which include refunding candidates for economic savings and were included in the resolution to allow for maximum flexibility. Ms. Couch explained proceeds will be used for the cost of the project and to pay costs of issuing the bonds. She stated the project was included in our office's February submittal to Capital Projects and Bond Oversight Committee. The sale will be negotiated, currently scheduled for March 9th to be executed by Citigroup as underwriter. Bond Counsel is Kutak Rock. This financing will be 20-years with a final maturity date of May 1, 2042 and an estimated all-in True Interest Cost of 2.857%. Staff recommended approval.

Mr. Hicks explained the Finance Administration Cabinet works together with the Office of State Budget and forecasts an estimated need for spending on Capital Projects that have been financed for bond funds and through prior budgets.

Secretary Brown called for a motion to approve Resolution **2022-01**. Mr. Ross made a motion to approve and was seconded by Director Hicks. The motion **CARRIED** and Resolution **2022-01** was **ADOPTED**.

With no further business before the Commission, Secretary Brown asked for a motion to adjourn and was seconded by all remaining members and the meeting adjourned at 11:07 AM.

Respectfully submitted,



Ryan Barrow
Secretary

